

Statement of John Reifsteck
Chairman of the Board and President
GROWMARK, Inc.

A National Framework for the Review and Labeling of Biotechnology in Food
Energy and Commerce Subcommittee on Health
U.S. House of Representatives

June 18, 2015

Chairman Pitts, Ranking Member Green, and members of the Subcommittee, thank you for holding today's hearing to discuss the impact biotechnology has on our nation's farms, food supply and economy. I am John Reifsteck, a grain farmer from Champaign County in central Illinois and Chairman of the Board and President of GROWMARK, Inc. I appreciate the opportunity to testify before you today on behalf of GROWMARK, the National Council of Farmer Cooperatives and the Coalition for Safe Affordable Food.

The GROWMARK System

GROWMARK is a regional agricultural cooperative based in Bloomington, Illinois. We provide agronomy, energy, facility planning, and logistics products and services, as well as grain marketing and risk management services in more than 40 states and Ontario, Canada.

GROWMARK owns the FS trademark, which is used by our affiliated members.

Among the many services provided to members, GROWMARK's Agronomy division offers all of the products and services an agricultural retailer needs to provide for farmer success including a comprehensive biotech seed line-up. GROWMARK's complete offering of plant food products, adjuvants, surfactants, and crop protection products ensure superior yields and acre for acre productivity.

The GROWMARK System provides services that span the supply chain from providing the ideal seed varieties for planting, caring for plants during the growing season, collecting and storing grain after harvest, to selling the product at the best market price and shipping it across North America.

We offer a variety of transportation options to ensure our clients can provide their customers with the right inputs at the right time. Each year our Logistics Division arranges nearly 150,000 truckloads of product and our Traffic Department coordinates more than 1 million tons of rail and barge shipments. To improve efficiency, we distribute products on regular routes from three primary warehouses -- Alpha and Nashville, Illinois and Kitchener, Ontario. Each facility is ISO 9001:2008 compliant, signifying quality control from receipt of the product to its final delivery.

GROWMARK is a full service agricultural cooperative focused on developing and delivering leading edge products, services, knowledge, and technology through high-level expertise and strategic assets.

Benefits of Biotechnology

Our affiliated companies and farmer-owners have been directly involved with the use and development of biotechnology crops for a number of years. GROWMARK was at the forefront of providing this technology to producers when it was first introduced in the 1990s. I have successfully used biotech seeds on my farm since they became available, and I believe the rapid adoption of these products reflects farmer satisfaction and understanding of the value they provide.

Today I live in the farmhouse my grandfather built 101 years ago. The farm has sustained three generations of my family. My father and grandfather were good farmers, but the tools and practices they used on our farm would not be good enough to meet the needs of our country today. Instead, each generation of my family uses new technology to build on the successes of the past. GPS, automatic steering, and biotechnology are examples of new tools available today that future generations will use to build a better agriculture.

Biotechnology solves problems for farmers; they, and society in total, benefit from these solutions. For example, some traits protect against harmful insect pests and diseases thereby reducing the need for pesticides. Better control of weeds with biotech reduces the amount of tillage used in fields, and thus reduces erosion. Other traits can increase the nutritional value of the harvested crop such as pineapples with higher levels of lycopene, or they have the potential to eliminate life-threatening allergens such as those found in peanuts. GROWMARK supports the use of biotechnology in agriculture and the ongoing research and development of new seed traits. The development and adoption of biotech products makes possible the continued availability of safe food, feed, and fiber products to consumers in the U.S. and worldwide.

GROWMARK and other farmer cooperatives are built on the dedication and hard work of America's farmers and ranchers. Quite simply, their success is the key to the success of our co-op. That is why we support policies based on sound science that enable producers to explore new practices and technologies to improve their operations, and provide high-quality, safe products for consumers.

Farmers also realize that the crops they grow today, benefiting from biotechnology, are just as safe and healthy as the crops grown by their parents and grandparents. This is important to us as providing our customers with safe, quality products is our number one priority.

I know firsthand the value of biotech crops and the measure of safety using them provides. In my lifetime of farming, I have had to abandon parts of fields riddled with insect damage. Harvesting fields damaged by insects or overcome by weeds are not just an economic loss, they present a real risk of physical harm to farmers and farm workers. Biotech products are extremely valuable to me, my fellow farmers, and the cooperatives we serve.

The Need for a National Framework

The benefits biotechnology provides to producers, to the environment, and to consumers are substantial. To reverse course now would wreak havoc among America's agriculture industry, adversely affecting many farmers and ranchers.

Yet that is exactly what a patchwork of biotech labeling laws at the state level would likely do. In short, such a hodgepodge of rules would be unworkable for farmers and their cooperatives. A growing concern among farmers and co-op managers is that this patchwork would not stop at the state-level but could extend down to individual cities, counties, and townships. Food and agriculture companies across the United States, including cooperatives like GROWMARK, would have no choice but to comply with hundreds, even thousands, of varying, if not directly conflicting, labeling laws. It would be nearly impossible to comply with every locality's labeling requirements.

Therefore, a uniform, national solution to the labeling of food products derived from ingredients using biotechnology is imperative for the survival of American farms. The implementation of this national solution is of utmost importance. Effectively mandating farming practices and narrowing the purchasing choices for customers should not be the role of government; rather, public policy should support efforts already underway in the marketplace and trust in the intelligence of consumers to make choices best suited to their preferences.

Trusting the regulatory systems already in place – which have determined products derived from biotechnology are safe to handle and consume – is essential as well. In the U.S., roughly 90 percent of all the corn, soybeans and cotton are grown using biotechnology. The acceptance of biotech crops would not have been possible without the existence of a risk-based regulatory process built on sound scientific principles. That process has been in place since the adoption of the Coordinated Framework for Regulation of Biotechnology by the United States was announced in 1986. Every biotechnology crop on the market today has successfully completed review under the Framework and has been found to be safe.

Agricultural biotechnology products in the U.S. are regulated by three agencies: the U.S. Department of Agriculture (USDA), the Environmental Protection Agency (EPA) and the Food and Drug Administration (FDA).

Under the authority of the Plant Protection Act implementing regulations, USDA's Animal and Plant Health Inspection Service (APHIS) is the agency that reviews all biotechnology crops

before they can be field tested or commercialized. APHIS has overseen tens of thousands of field tests that have made it possible for over 70 biotechnology crops to reach the market through its deregulation process. In making deregulation decisions under the Plant Protection Act, APHIS has consistently relied upon its independent evaluation of the potential for new products that could pose a plant pest risk. Under its authority it considers factors that are relevant to a plant pest risk determination.

The EPA is responsible for ensuring that pest-resistant biotech varieties are safe to grow and consume. It regulates environmental exposure to these crops to ensure there are no adverse effects to the environment or any beneficial, non-targeted insects and other organism.

The FDA imposes on foods developed through biotechnology the same regulatory requirements used to safeguard all foods in the marketplace. The FDA has both pre-market and post-market authority to regulate the safety and labeling of all foods and animal feed. The FDA's evaluation of a biotechnology food focuses on its characteristics, not the method used to develop it.

On the production side, legislation mandating the labeling of food products with biotech ingredients would create a domino effect that would ripple throughout the supply chain from the consumer to the farm gate. The two ends of that chain, the farmer and the consumer, would likely end up bearing the brunt of the costs. Farmers would face significant compliance costs with little power to affect prices. Consumers would see increased grocery prices as companies in the middle of the supply chain pass through the costs of constructing multiple supply streams, acquiring separate warehouse space, creating new transportation routes, and designing an array

of new product labels to comply with the specific jurisdictional regulations required at the final destination. This is the top issue our farmers are most concerned about when thinking about the future sustainability of their operations.

The Future of American Agriculture

American agriculture has long been at the forefront in meeting the world's ever-expanding needs for food, feed, and fiber. The availability of corn, cotton, soybean, sugar beet, canola, alfalfa, and other crops enhanced through all types of science, including biotechnology will continue to assist the U.S. farmer in providing for the world's growing population. The development and adoption of these products, and the promise of new products, make possible the continued availability of abundant food, feed and fiber to consumers in the U.S. and worldwide. It is imperative that the U.S. agriculture industry continue to lead the way with innovation, product development and acceptance of biotechnology crops.

Stigmatizing biotechnology through mandatory labeling will jeopardize the future use of technology in agriculture. The continued use and development of biotechnology will be a key to meeting the greatest humanitarian challenge of the 21st Century.

Consumers should, and do, have choices in the marketplace. Some may want to pay a premium for food that is produced by certain methods, such as organic, or that does not contain certain ingredients, such as gluten. Others may prioritize affordability, convenience, or taste. Voluntary labeling will help to preserve all of these choices in the marketplace; mandatory labeling on the

other hand would ensure that some consumers, especially those least able to afford price increases at the grocery store, will face fewer options.

The *Safe and Accurate Food Labeling Act* introduced this Congress by Representatives Mike Pompeo and G. K. Butterfield, would ensure that labeling of biotech ingredients in food products is based on consistent standards using sound science. It would allow those who wish to label their products as GMO-free to do so by utilizing an accredited certification process offered through U.S. Department of Agriculture (USDA). This process would be similar to that of the Department's successful Certified Organic program. I encourage members of this committee and Congress to support H.R. 1599 as it would ensure that consumers are provided with accurate and consistent information about the food they purchase while preserving the choices available to grocery shoppers as well as our nation's farmers.

In conclusion, I strongly urge Congress to consider the consequences of not passing a uniform, national standard for labeling food products derived from biotech ingredients. The impact of not taking action would have a devastating effect on food and agriculture companies across the country as well as farmers whose livelihoods depend on the freedom to conduct their businesses using the best methods available to them.

Our members continue to support labeling decisions that are voluntary and are determined by the market, versus unnecessary, mandatory labeling requirements that would disrupt interstate commerce. Furthermore, we do not believe decisions involving the marketing of food products should be included in the science and safety reviews conducted by the government when the science and safety of the product is proven harmless.

Thank you again for the opportunity to testify before this committee. I look forward to working with each of you to find a national solution to labeling biotechnology while ensuring the continued availability of these tools to meet the demands of an expanding global population.

About the National Council of Farmer Cooperatives

Since 1929, NCFC has been the voice of America's farmer cooperatives. NCFC values farmer ownership and control in the production and distribution chain, the economic viability of farmers and the businesses they own, and vibrant rural communities. We have an extremely diverse membership, which we view as one of our sources of strength—our members span the country, supply nearly every agricultural input imaginable, provide credit and related financial services (including export financing), and market a wide range of commodities and value-added products.

American agriculture is a modern-day success story. America's farmers produce the world's safest, most abundant food supply for consumers at prices far lower than the world average.

Farmer cooperatives are an important part of the success of American agriculture. Cooperatives differ from other businesses because they are member-owned and are operated for the shared benefit of their members.

Farmer cooperatives enhance competition in the agricultural marketplace by acting as bargaining agents for their members' products, providing market intelligence and pricing information, providing competitively priced farming supplies, and vertically integrating their members' production and processing. There are over 3,000 farmer cooperatives across the U.S., and earnings from their activities (known as patronage) are returned to their farmer members, helping improve their members' income from the marketplace.

About the Coalition for Safe Affordable Food

The Coalition for Safe Affordable Food is dedicated to providing policy makers, media, consumers and all stakeholders with the facts about ingredients grown through GM technology.

We are also an advocate for common sense policy solutions that will only further enhance the safety of the GM crops and protect the vital role they play in today's modern global food supply chain. The coalition is comprised of American farmers and representatives from a diverse group of industry and non-governmental organizations.

Summary of Points

- The GROWMARK System provides services that span the supply chain from providing the ideal seed varieties for planting, caring for plants during the growing season, collecting and storing grain after harvest, to selling the product at the best market price and shipping it across North America.
- Biotechnology solves problems for farmers; they, and society in total, benefit from these solutions. The development and adoption of biotech products makes possible the continued availability of safe food, feed, and fiber products to consumers in the U.S. and worldwide.
- The benefits biotechnology provides to producers, to the environment, and to consumers are substantial. To reverse course now would wreak havoc among America's agriculture industry, adversely affecting many farmers and ranchers.
- A uniform, national solution to the labeling of food products derived from ingredients using biotechnology is imperative for the survival of American farms. The implementation of this national solution is of utmost importance.
- Stigmatizing biotechnology through mandatory labeling will jeopardize the future use of technology in agriculture. The continued use and development of biotechnology will be a key to meeting the greatest humanitarian challenge of the 21st Century.
- I encourage members of this committee and Congress to support H.R. 1599 as it would ensure that consumers are provided with accurate and consistent information about the food they purchase while preserving the choices available to grocery shoppers as well as our nation's farmers.

Committee on Energy and Commerce
U.S. House of Representatives
Witness Disclosure Requirement - "Truth in Testimony"
Required by House Rule XI, Clause 2(g)(5)

1. Your Name: <u>John Reifsteck</u>		
2. Your Title: <u>Chairman of the Board and President</u>		
3. The Entity(ies) You are Representing: <u>GROWMARK, National Council of Farmer Cooperatives</u>		
4. Are you testifying on behalf of the Federal, or a State or local government entity?	Yes	No <input checked="" type="checkbox"/>
5. Please list any Federal grants or contracts, or contracts or payments originating with a foreign government, that you or the entity(ies) you represent have received on or after January 1, 2013. Only grants, contracts, or payments related to the subject matter of the hearing must be listed.		
6. Please attach your curriculum vitae to your completed disclosure form.		

Signature: John Reifsteck Date: 6/

⊛ 3 - and the Coalition for Safe Affordable Food.

John Reifsteck

John Reifsteck became Chairman of the Board and President of GROWMARK, Inc. on August 28, 2013. He operates a grain farm in western Champaign County, Illinois. Reifsteck is a graduate of the University of Illinois at Urbana-Champaign where he received a bachelor of science degree in agriculture economics and education.

Reifsteck has served on the GROWMARK Board since 1993, holding leadership roles including Vice-Chairman of the Board and chairman of the Budget/Audit Committee. Throughout his career, Reifsteck has served on the boards of numerous agricultural organizations. He is a past president of the Illini FS Board of Directors and the Champaign County Farm Bureau, and is a current participant in the University of Illinois Chinese Leadership Program. Reifsteck has been honored as Director of the Year by the National Council of Farmer Cooperatives, Master Farmer by *Prairie Farmer* magazine, and Farm Leader of the Year by the Champaign-Urbana *News Gazette*.

Reifsteck and his wife Nancy have two grown sons.